

U.S. Department of Justice U.S. Attorney's Office Western District of Texas

Johnny Sutton, U.S. Attorney

FOR IMMEDIATE RELEASE

March 20, 2003

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SAN ANTONIO CORPORATION PLEADS GUILTY TO FEDERAL MAIL FRAUD CHARGE

(*San Antonio, Texas*) United States Attorney Johnny Sutton announced today that Heriberto Cortez, president of HERCO Aircraft Machine, Inc., appeared in federal court this afternoon and pled guilty on behalf of the corporation to defrauding the United States of approximately \$115,000 in connection with the manufacture of parts for the F-5 fighter jet and T-38 trainer jet.

In the plea, the company admitted that on several occasions from June 24, 1997, to May 18, 2000, it manufactured approximately 642 defective aircraft parts and supplied them to the United State Air Force and United States Navy. The defective part in question—an adapter plate assembly—is used in the gear box which drives the hydraulics and the electrical generator on both types of aircraft.

The offense carries a penalty of a maximum \$500,000 fine. United States District Judge Edward C. Prado has scheduled sentencing for 3:00pm on Thursday, April 17, 2003.

This case was investigated by the United States Postal Service, Defense Criminal Investigative Service, NASA, Federal Bureau of Investigation, Air Force Office of Special Investigation and the United States Department of Transportation. This case is being prosecuted by Assistant United States Attorney Kelly Loving.

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